

Sensex down 70.58 points on Thursday, 05 July 2018

Sensex fell 70.58 points or 0.2% to 35574.55.
 Nifty fell 20.15 points or 0.2% to 10749.75.
 Mid Cap fell 0.7%. Small Cap fell 0.4%.
 BSE 500 fell 0.3%. Sensex Losers: 15

Of 22 BSE Sectoral indices, 17 posted losses.
 Advancers: 1053 Decliners: 1557 Unchanged: 146
 Advance/Decline Ratio 2:3

Sensex Day's Range: 35748.26– 35517.79
 52-Wk Sensex Range: 36443.98 – 31081.83
 Nifty Day's Range: 10786.05 – 10726.25
 52-Wk Nifty Range: 11171.55 – 9603.35

Sensex Gainers included Yes Bank +4%, ITC +3%, Bajaj Auto +2.5%, Asian Paints +2.4%, CIL +2.3%, M&M +1.3%, Maruti +1.3%.

Sensex Losers included Infosys -4.5%, Vedanta -3.1%, Tata Steel -2.7%, Reliance -2.5%, Sun Pharma -2.3%, Tata Motors -2.1%.

Sectoral Gainers were FMCG +1%, Finance +0.2%, Auto +0.2%, Bankex +0.1% and Consumer Discretionary +0.01%.

Sectoral Losers were Consumer Durables -2.8%, Realty -1.7%, IT -1.6%, Metal -1.4%, TECK -1.3%, Energy -1.3%, Healthcare -1.2%, Industrials -0.7%, Capital Goods -0.6%, Oil & Gas -0.5%, Power -0.5%, Utilities -0.5%, Infrastructure -0.5%, Telecom -0.3%, PSU -0.3%, Basic Materials -0.3% and Manufacturing -0.01%.

Buzzers:

Banaras Beads +20%, Rithwik Facility +19.9%, Shree Rama News +19.7%, Vivid Global +16.9%, Raj Television +16.8%.

Heavy Losers:

SRG Securities -20%, Lakshmi Prec -19.1%, CIL Nova -16.9%, Hathway Cable -15.4%, Authum Invest -14.9%, Ayush Food -11.6%.

OCL India advances 5.9%:

Shares of OCL India (OCLIL) (formerly Orissa Cement) rose 5.9% to Rs 1109.95 (FV Rs 2). OCL was one of the first cement companies in India to manufacture portland slag cement, prudently utilising steel plant waste to manufacture a high-strength end product. It now commands a cement capacity of 6.7 MnT a year. Its manufacturing facilities located in Rajgangpur and Kapilas in Odisha and Midnapore in West Bengal, along with captive power plant capacity of 62 MW, including an 8 MW of solar power plant. Keeping pace with country's aspirations, Dalmia Bharat Group in its first strategic move acquired 21.7% stake in OCL in 2008. The stake was gradually raised to 74.6%.

OCLIL is investing in setting up 9.2 MW of waste heat recovery system (WHRS), which is expected to be commissioned soon. OCLIL diversified into the manufacture of refractories in 1954 and is growing among the largest composite refractory plants in the country. During Q4FY18, net profit fell 3% to Rs 109 cr. on 21% higher sales of Rs 1054 cr. Q4FY18 EPS is Rs 19.1. During FY18, net profit rose 13% to Rs 431 cr. on 10% higher sales of Rs 3654 cr. FY18 EPS is Rs 75.6. A dividend of 250% was paid. With a tiny equity capital of Rs 11.4 cr. and strong reserves of Rs 2358 cr., the book value of the share is Rs 416.

Yes Bank gains 4% after the bank receives Sebi approval for MF business:

Shares of Yes Bank gained 4% to Rs 348.80 (FV Rs 2) after the bank received SEBI approval to launch mutual fund business. During Q4FY18, Yes Bank's net profit rose 29% to Rs 1,179.4 crore on 29% rise in total income to Rs 7,164 crore. Q4FY18 EPS is Rs 5.1. During FY18, net profit grew 27% to Rs 4,233 crore on 24% higher income of Rs 25,562 crore. FY18 EPS is Rs 18.4. A dividend of 135% has been declared. With equity capital of Rs 460.6 crore and reserves of Rs 25,292 cr., the book value of the share works out to Rs 112. crore. Net interest margin (NIM) stood at 3.4 percent for Q4FY18. Non-interest income grew 13 percent YoY to Rs 1,421 crore. Gross NPA ratio dropped to 1.28 percent in Q4 compared to 1.52 percent a year ago.

Similarly, net NPAs dropped to 0.64% in the March quarter over 0.81% (YoY). The bank's advances saw a growth of 53.9 percent year-on-year spread across corporate, MSME and retail businesses. The net interest income (NII) – difference between interest earned and expended – grew by 31.4 percent YoY to Rs 2,154.2 cr. Advances of the bank grew by 53.9% YoY to Rs 2.03 lakh crore on the back of robust growth across corporate, MSME and retail businesses. Retail banking advances rose 99.1 percent YoY. Its proportion to total advances increased to 12.2 percent at the end of March 2018, from 9.4 percent in March 2017. Yes Bank said its deposits increased 40.5 percent YoY to over Rs 2 lakh crore, with CASA ratio at 36.5 percent.

**8K Miles Software broadens gain of 7.2% after recent fall:**

Shares of 8K Miles Software rose further by 7.2% to Rs 374. Yesterday, the share was locked 10% in upper circuit to Rs 349.05. Prior to this, the stock had slipped 35.2% in the last three sessions. The company has been deferring its March quarter earnings. About the delay in releasing fourth-quarter results, the company's chairman & CEO Suresh Venkatachari in an interaction with CNBC-TV18, said, "There is no auditor problem or no issues. We adapted the Indian Accounting Standards (Ind AS) for the consolidated first time this year so it takes a little longer."

Cable TV stocks slide as RIL announces launch of Jio GigaFiber:

Shares of the four cable television service provider dropped after Reliance Industries announced the launch of fixed-line broadband service Jio Giga Fiber from 15 August 2018. Hathway Cable & Datacom (down 15.4%), Den Networks (down 10.7%), GTPL Hathway (down 6.3%) and Siti Networks (down 1.6%) dropped.

RIL announced a new service called the Jio GigafiberFiber broadband services for homes and enterprises at its 41st annual general meeting (AGM) today, 5 July 2018. The service will provide ultra high definition entertainment on TV, voice activated assistance, virtual reality gaming and digital shopping as well as smart home solutions. Jio GigafiberFiber will be the largest Greenfield fixed-line broadband rollout anywhere in the world, with rollout happening in 1,100 cities of India simultaneously.

Va Tech Wabag comes off day high despite raising plan:

Va Tech Wabag gained just 0.5% to Rs 372 (FV Rs 2) despite the company scheduled a board meeting on 9 July 2018 to consider and approve the fund raising proposal. The stock had hit a high of Rs 384.20 and a low of Rs 370.05 during the day. The stock had hit a 52-week high of Rs 707 on 4 July 2017 and a 52-week low of Rs 366.60 on 4 July 2018.

On a consolidated basis, net profit of Va Tech Wabag dropped 20.2% to Rs 63.4 crore on 8.3% fall in net sales to Rs 1037.48 crore in Q4 March 2018 over Q4 March 2017. VA Tech Wabag is engaged in water treatment field. The company principal activities include design, supply, installation, construction and operational management of drinking water, waste water treatment, industrial water treatment and desalination plants. Equity capital is Rs 10.9 crore.

RITES extends further falls of 4.4%; Tanks 8.5% in two sessions:

Shares of RITES extended further fall of 4.4% to Rs 197.20. Yesterday, the share fell 4.1% at Rs 205.95. The initial public offer (IPO) of RITES received bids for 169.43 crore shares, as against 2.52 crore shares on offer, the National Stock Exchange of India (NSE) data showed. The issue was subscribed 67.24 times. The issue opened on 20 June 2018 and closed on 22 June 2018. The price was fixed at Rs 180 to Rs 185 per share. The qualified institutional buyers (QIBs) category was subscribed 71.72 times. The non-institutional investor category was subscribed 194.56 times. The retail individual category was subscribed 15.74 times.

The offer comprised of an offer for sale of 2.52 crore shares by the Union government of India. The objects of the issue were divestment and benefits of listing to enhance its visibility and brand image and provide liquidity to the existing shareholders. The Central government owns 87.4% of total paid-up equity share capital post listing. On a consolidated basis, RITES reported net profit of Rs 252.5 crore and net sales of Rs 936.2 crore in nine months ended December 2017. Incorporated in 1974 by the Ministry of Railways (MoR), RITES (earlier known as Rail India Technical & Economic Services) is a mini ratna (Category-I) Schedule 'A' public sector enterprise offering transport and engineering consultancy in India. Post IPO equity is Rs 200 crore.

UFO Moviez extends gain of 2.3%; Spurts 7.2% in two sessions:

UFO Moviez rose further by 2.3% to Rs 375. Yesterday, the share rose 4.9% to Rs 371.40. During Q4FY18, net profit shot up by 26% to Rs 24.9 crore on 4% higher income of Rs 161 crore. Q4FY18 EPS is Rs 5.0. During FY18, net profit rose 0.7% to Rs 60.5 cr. FY18 EPS was Rs 21.3. A dividend of 125% has been declared. With equity capital of Rs 28.4 crore and reserves of Rs 448 crore, the book value of the share is Rs 210.0. UFO Moviez India (UFO) is India's largest digital cinema distribution network and in-cinema advertising platform in terms of number of screens. UFO operates India's largest satellite-based, digital cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network.

As on March 31, 2018, UFO's global network, along with subsidiaries and associates, spans 6,387 screens worldwide, including 5,322 screens across India and 1,065 screens across the Middle East (UAE, Bahrain, Qatar, Oman, Kuwait, Lebanon and Jordan), Israel, Mexico and the USA. UFO's digitization and delivery model has been a key driver of extensive digitization of Indian cinemas and has enabled wide-spread, same day release of movies across India. Over the years, UFO has released over 13,000 films in 22 languages on our UFO M4-Platform & DCI Network and has conducted over 21 million shows.

Morganite Crucible (MCL) drops 4.6%:

Shares of MCL fell 4.6% to Rs 1312.05. The share had hit life-time high of Rs 1550 on 30 May 2018. MCIL manufactures resin-bonded silicon carbide crucibles and clay graphite crucibles, caters to the non-ferrous metal industry. Morgnaite Crucibles, UK (MCL, UK) along with its associates Morgan Terrassen BV holds 75% stake in MCIL. Diamond Crucible, Mehsana, Gujarat is merged with MCL. MCL, is evaluating to start trading business for selling of De-gassing machine to the end customers where parent Morgan's Degassing Rotor is used. For this, it has signed Purchase Framework Agreement with Febtech Industries initially for a period of 2 years to diversify the product in Indian and overseas market. 'Febtech Industries' is one of the leading manufacturers of High pressure aluminum die cast Equipment's & Consumable spares.

Fabtech Industries emerged as a reliable manufacturer and exporter of all types of Conveyors, Packing Machines, Hatchery & Poultry Equipments, Air Pollution Control Equipment and Heavy Fabrication, Automation and Special Purpose Machines, Turnkey Projects, Maintenance and more. Equity capital of Morganite is Rs 2.8 crore. Book value of the share is Rs 325. During FY18, consolidated net profit fell 16% to Rs 13.9 crore on 6% lower sales of Rs 109 crore. FY18 consolidated EPS was Rs 49.6 against Rs 51.8 in FY17. A dividend of 160% has been declared.

**Security and Intelligence (SIS) jumps 0.9% on large volume:**

Shares of SIS rose 0.9% to Rs 1,150. The counter reported a jump in volume to 3.07 lakh on the BSE. On the NSE 2.19 lakh volume of shares is recorded. During Q4FY18 net profit fell 35% to Rs 36 cr. on 28% higher revenue of Rs 1592 cr. Q4FY18 EPS is Rs 4.9. During FY18, net profit climbed 48% to Rs 163 cr. on 34% higher income of Rs 5870 cr. FY18 consolidated EPS is Rs 22.8. With equity capital of Rs 73.2 cr. and reserves of Rs 955 cr., the book value of the share works out to Rs 140. Total net debts of Rs 343 cr. Net DER is 0.33:1. Promoters hold 75.5% in the equity capital. Foreign holding of 5.7%, DIs of 4.8% leave 14% with investing public. SIS provides security solutions and business support services to a wide range of customers across India and Australia.

Asian Markets:

Asian markets were: Nikkei – 0.8%, Hang Seng – 0.2%, Shanghai – 0.9%.

European Markets:

European markets were: FTSE + 0.5%, CAC 40 + 1.1%, DAX + 1.4%.

Crude:

Crude Oil was trading at \$74.47/barrel.

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